

BEFORE

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 95-824-C - ORDER NO. 95-1524 ✓

SEPTEMBER 21, 1995

IN RE: Request of Frontier Communications) ORDER
International, Inc. for Approval of) APPROVING
Revisions to its SC Tariff No. 1 to) REVISIONS TO
Change Maximum and Current Rates for) TARIFF FILING
Operator Services.)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Frontier Communications International, Inc. (Frontier or the Company) for approval of revisions to its South Carolina Tariff No. 1 to change maximum and current per-minute rates for Operator Services.

By letter dated March 10, 1995, the Commission's Executive Director instructed Frontier to publish, one time, at its own expense, a Notice of Filing in newspapers of general circulation in the affected areas and to provide proof of publication to the Executive Director. Frontier complied with these instructions, and no Protests or Petitions to Intervene were filed with the Commission. As Frontier's request involved increasing the maximum rates for Operator Services, the Commission instructed the Commission Staff to set this matter for hearing.

On August 30, 1995, at 11:00 a.m., the Commission convened a public hearing on this matter in the Commission's hearing room at 111 Doctors Circle, Columbia, South Carolina. The Honorable Rudolph Mitchell, Chairman, presided. Frank R. Ellerbe, III,

Esquire, represented Frontier; Florence P. Belser, Staff Counsel, represented the Commission Staff.

In support of its request to change its maximum rates, Frontier presented the testimony of Michael J. Nighan, Manager of Regulatory Affairs for Frontier. Mr. Nighan testified that Frontier's request to change its maximum rates was an effort to clear up a problem of misunderstanding that Frontier had with the Commission's directives on maximum rates. According to Mr. Nighan, when Frontier prepared its initial tariff following certification, Frontier took language in the Order granting authority to restrict the maximum rates for operator services to rates no higher than the current rates AT&T was charging at that time. Consequently, Frontier filed, as its maximum rates, rates consistent with AT&T's current rates. When Frontier attempted to revise their current rates to be consistent with rate changes by AT&T in September and December 1994, Frontier was not allowed to change those rates because the proposed rates were higher than Frontier's maximum rates.

Mr. Nighan stated that Frontier now understands that their interpretation of the certification order was inconsistent with the intent of the Order. Mr. Nighan offers that Frontier made a good faith effort to comply with the certification order and requests relief by being allowed to revise their maximum rates. Mr. Nighan also offers that the relief should be granted because Frontier is at a competitive disadvantage if it does not have the pricing flexibility of its competitors. Mr. Nighan also stated that Frontier presently has no customers in South Carolina.

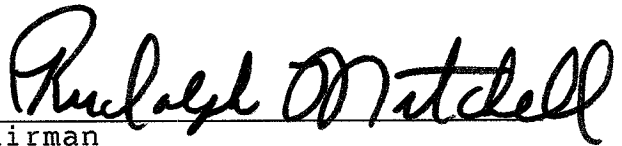
Upon careful review of the tariff filing and the evidence

presented at the hearing, the Commission finds and concludes that Frontier should be allowed to revise its maximum tariff. The Commission finds that Frontier made a good faith effort to comply with the certification order. The Commission also notes that as Frontier has no customers in South Carolina, no customers will be adversely affected or impacted by the revisions. Furthermore, the Commission finds that it is in the public interest that Frontier have the same competitive advantages as other companies that the maximum rates were intended to provide for adjustment below the maximum rate levels.

IT IS THEREFORE ORDERED THAT:

1. Frontier is hereby allowed to revise its maximum tariff.
2. As requested by Frontier, Frontier's maximum tariff shall be allowed to concur with the maximum rates approved in South Carolina for AT&T Communications of the Southern States, Inc.
3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)